

965,000; Pittsburg, \$5,855,000; Baltimore, \$2,520,000; Milwaukee, \$3,260,000. In Pittsburg and many other places, certificates or checks of small denominations were issued for general circulation. In Pittsburg the Stock Exchange also was closed, and in several Western States bank holidays were declared by the governors.

Notwithstanding these measures, alarm was not allayed and deposits in many banks and trust companies in New York continued to be withdrawn and hoarded in currency. The refusal of the banks to pay currency for checks caused a so-called "premium on currency," which rose as high as 4*3 per cent., and was for a considerable time at 3 per cent. It was estimated that during October and November not much less than \$25,000,000 in currency was sold by brokers in the financial district for checks.¹ Almost immediately, also, the New York banks began to feel the strain of the demand from their correspondents in the interior for the return of their reserve deposits. It was calculated that from the beginning of the panic to the close of December about \$296,000,000 in currency was absorbed throughout the country, and that of this sum \$218,000,000 passed through the New York banks.

Foreign exchange, fluctuating uncertainly at first because of the disposition in Europe to sell and remit American securities, turned sharply in favor of gold imports, and before the end of October engagements of over \$24,000,000 were announced, which were swelled during November and December to an aggregate of more than \$100,000,000.* While \$94,000,000 of this gold was imported at New York,

¹ A. D. Noyes, "The Financial Panic," in *The Forum*, Jan.-March, 1908, XXXIX., 302.

^s The ** premium on currency " made it profitable to import gold with exchange, in bank checks, far above the usual gold export point. While the normal gold import point is \$4.83[^], a premium of three cents on the dollar would pennit importations without loss at a rate nearly 15 cents higher. The rate promptly advanced from \$4.80 as high as \$4.91, without checking gold imports. *Vide* Noyes, *The Forum*, Jan.-March, 1908, XXXIX., 308.